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TAGS: <u>PGOV PREL PHUM KDEM KPAO EZ TS</u>
SUBJECT: CZECH PRESIDENT VISITS TUNISIA

Classified By: Ambassador Robert F. Godec for reasons 1.4 (b) and (d)

Summary

11. (C/NF) During his April 15-17 visit to Tunis, Czech President Klaus met with the President, Prime Minister, Minister of Defense, Minister of Culture and Heritage, Minister of Tourism, and members of parliament among others. The visit was used to finalize a commercial agreement and sign contracts to construct a glass factory and a hotel and housing complex called Sea World. The visit ended with Klaus inviting Ben Ali to visit the Czech Republic. The German Ambassador privately told the Ambassador that he was disappointed Klaus failed to raise human rights and democracy issues during the visit, contrary to an understanding among EU member states. End Summary.

Rose-Colored Glasses

- 12. (C) The GOT pulled out all the stops for the April 15-17 visit of Czech President Vaclav Klaus and his wife to Tunisia. Klaus met with President Ben Ali four times. His first meeting with Ben Ali was during an official welcome ceremony immediately after he arrived in-country. Also present at the ceremony was the Prime Minister, members of the government, and members of the ruling Democratic Constitutional Rally (RCD). Members of opposition parties were not included. During his second meeting with Ben Ali bilateral trade was the primary topic of conversation. Ben Ali also hosted a dinner in honor of Klaus on April 16. His fourth meeting with Ben Ali was during a formal ceremony shortly before he left. The Prime Minister, government officials, and RCD members were again in attendance.
- (C) In a separate meeting with the Prime Minister, in which Klaus was accompanied by a delegation of Czech businessmen, Klaus discussed economic ties. The Prime Minister responded that, "these meetings will be a propitious occasion for the Czech businessmen to become acquainted with the business environment and investment opportunities in Tunisia." When he met with Speaker of the Chamber of Advisors Abdallah Kallel, Klaus pointed out that the Czech Republic and Tunisia share views on many issues, such as development and the Israeli/Palestinian conflict. Kallel emphasized exchanges between the two countries' members of parliament. Klaus later told the press he was delighted to visit Tunisia, and hailed Tunisia's "crucial importance" in the region. Regarding the global economic crisis, Klaus opined that Tunisia, "will manage to overcome this crisis in the best way." He also lauded Tunisia's progress and

- 14. (SBU) While visiting Hammamet, Klaus and Minister of Tourism Khelil Lajimi announced the development of a new hotel and housing complex called "Sea World" that would be a joint Tunisian-Czech initiative. The deal is estimated to be worth 120 million Euros, and the Czechs' contribution will be both technical and financial. Construction of the complex is expected to take almost three years, and will be among the largest tourism-related projects in Tunisia. Sea World will cover 20 hectares and be able to house 500 people. There are also supposed to be aquatic attractions such as a water park and dolphin tanks. During his visit to the historical sites of Carthage and Sidi Bou Said, Klaus was accompanied by Minister of Culture and Heritage Preservation Abderraouf el Basti. Basti also accompanied Klaus during a visit to Zeitouna mosque, as did both the Governor and Mayor of Tunis. Minister of National Defense Kamel Morjane welcomed Klaus to Tunisia during a ceremony at Sejoumi Martyrs' Square.
- 15. (SBU) During the visit, Tunisian Secretary of State for External Trade Chokri Mamoghli and his Czech counterpart Martin Tlapa signed an agreement forming a joint commission to study trade and increase business linkages. Both countries committed to holding an annual meeting on trade, increases exchanges, and promoting business between the two countries. Tlapa opined that Tunisia could be a stopover market for Czech products destined for sub-Saharan Africa. He added that the Czech Republic is interested in Tunisia's construction, textile, medical, and transportation industries. The press also reported that an unnamed Czech businessman and the Tunisian Mrabti group have agreed to construct a glass factory estimated to be worth 150 million Euros with a twenty percent Czech contribution.

No Human Rights Dialogue

16. (C/NF) The German Ambassador privately told Ambassador Godec that Klaus did not raise any issues other than was reported in the media. He expressed his disappointment that Klaus did not raise human rights or political issues with Ben Ali, contrary to a European Union understanding that visitors from Europe would raise such issues. The German Ambassador added that he had complained to Berlin about this.

Comment

17. (C) The Czech President avoided sensitive topics such as electoral reform and human rights, concentrating instead on trade promotion. It is worth noting that the glass factory and the Sea World venture sound similar to projects that were being explored by US companies in Tunisia. We are attempting to contact the US companies to determine the impact of these Czech investments on their plans. It may be that US companies will still be able to serve as subcontractors if they have been displaced by the Czechs as principals. End Comment.

Godec